

VEHICLE MANAGEMENT SYSTEM



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In fiscal year 2000-2001, the City in an effort to better manage its vehicle fleet implemented a vehicle management system. The vehicle management system addresses how the city purchases, maintains and replaces vehicles on a citywide basis. The system was implemented with the establishment of a steering committee to set and oversee the new citywide vehicle policy. The steering committee consists of members from the Mayor's Office, Budget and Finance, as well as, a newly created position of Fleet Manager. The operation of the new system was established in the Department of Public Works, in a unit with a Fleet Manager and three additional staff.

The financing of new vehicles was addressed through lease purchasing in an internal service fund. Lease financing has stabilize the vehicle replacement cycle by smoothing out the costs associated with this \$280 million asset. To begin the process, \$29.7 million was appropriated in the internal service fund in fiscal year 2001-02 for general fund vehicle purchases. For fiscal year 2002-03, \$35.5 million was appropriated. In 2003-04, \$30.5 million. In 2004-05, \$28.5 million.

Ultimately, these changes should produce optimum vehicle procurement through better-written/well defined specifications for new vehicles; better parts procurement and manufacturer follow-up for the existing fleet; and the reassignment of high mileage and high maintenance vehicles. The net effect will be a decrease in operating costs and out-of-service times for the fleet. This will lead to increasing the performance of every city service that relies on vehicles.

With this stability, operating costs could be better understood and attributed to the internal service fund, so that true program costs are accounted for.

Goals and Objectives of the Vehicle Management System

1. Improve quality of city services supported by the fleet (the "right" vehicle for each operation)
 - decrease vehicle out-of-service times
 - increase productivity of fleet operators
 - more timely and effective services to the public
2. Improve commitment to regular replacement
 - "smooth out" the costs of acquisition
 - build total operating costs into annual planning cycle
 - balance the ages and mileage levels of the fleet
3. Reduce costs for operating the fleet
 - describe and understand fleet operating costs
 - maximize preventive maintenance activities and reduce overall repair and maintenance costs
 - minimize vehicle purchase costs

Vehicle Management System Structure

Steering Committee

The committee is responsible for recommending the purchase and assignment of general fund vehicles, and communicates policies about vehicle acquisition and operation.

Fleet Manager

The operation of the vehicle management system is headed by the Fleet Manager, who implements all vehicle related policies. Also on staff is an accountant who maintains the internal service fund. An engineer who will be responsible for detailed work order and job specifications, and manufacturer follow-up on parts; and clerical support staff will be provided.

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Lease financing will improve the City's commitment to regular vehicle replacement, by annualizing total fleet costs into the annual budget cycle. The financing, through the issuance of bonds is subject to annual appropriation in the budget process. Titles to the vehicles and equipment will transfer to the City at the end of the lease; the process includes the necessary covenants of maintenance of value, insurance of vehicles, and replacement of damaged equipment. A master lease structure could also be used for future equipment acquisitions.

Accounting for fleet acquisitions is done in an **internal service fund**. This fund is intended to recognize and reduce costs for operating the fleet, through cost accounting – segregating vehicle acquisitions and the costs of repairs, so

that every city operation can eventually bear the full costs of a vehicle's operation. At present the fund recognizes only the costs of acquisition.

Future improvements should support improvements to the fleet performance, the replacement cycle, and fleet operating costs, including: acquisition of vehicle management software to provide a preventive maintenance system, detailed repair histories and tracking of operating costs; performance measurement of vehicle operations and service system; training in vehicle operator instruction, operating procedures and risk management. A fuel tracking system is coming on-line in fiscal year 2004-05 to begin this process.

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Vehicle Management System: Purchase Schedule

Based on a five-year assessment of agency vehicle needs, the Steering Committee has developed a yearly budget of new vehicle acquisition and replacements.

Fiscal Year 2001-02 Vehicle Purchases- Budget

AGENCY	VEHICLE TYPE	NUMBER OF UNITS
City Clerk	Van	1
Consumer Affairs	Van	1
DPW	Maintenance-Heavy Duty	49
	Pick-up Truck /Vans	53
	Cars: general assigned/executive	<u>159</u>
	Total	261
Election Commission	Truck	1
Fire	Ambulance	18
	Fire Specialty- Pumper	6
	Fire Specialty-Ladder	9
	Fire Specialty-Aerial	1
	Fire Specialty- Various	11
	Van	<u>6</u>
	Total	51
Health	Cargo Truck	1
	Pick-up Truck	1
	Van	<u>4</u>
	Total	6
Historical	Truck	1
Human Resources	Van	1
Municipal Parking	Maintenance	1
	Pick-up Truck	3
	Van	<u>2</u>
	Total	6
Public Lighting	Step Van	3
	Pick-up Truck	2
	Maintenance-Heavy Duty	<u>6</u>
	Total	11
Police	General assigned cars	30
	Motorcycles/Scooters	114
	Other vehicle-equipment	50
	Pick-up Truck/SUV	10
	Scout car	61
	Van	<u>10</u>
	Total	275

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AGENCY	VEHICLE TYPE	NUMBER OF UNITS
Recreation	Maintenance	34
	Other	2
	Pick-up Truck	11
	Van	<u>4</u>
	Total	51
Zoo	Maintenance	2
	Pick-up Truck	2
	Van	<u>2</u>
	Total	6
GRAND TOTAL		672

Fiscal Year 2002-03 Vehicle Purchases- Budget

AGENCY	VEHICLE TYPE	NUMBER OF UNITS
Airport	Maintenance-Heavy Duty	11
	Police Cars	<u>2</u>
	Total	13
DPW	Maintenance-Heavy Duty	93
	Pick-up Truck/Vans	19
	General assigned cars	<u>100</u>
	Total	212
Election Commission	Van	2
Fire	Ambulance	16
	Fire Specialty- Pumper	6
	Fire Specialty-Ladder	1
	Fire Specialty-Ariel	1
	Cars	16
	Mobile Fire Safety House	1
	Cargo Van	<u>1</u>
	Total	42
Health	Pick-up Truck	1
	Van	<u>4</u>
	Total	5
Municipal Parking	Cars	30
	Van	<u>2</u>
	Total	32
Public Lighting	Pick-up Truck	8
	Maintenance-Heavy Duty	<u>12</u>
	Total	20

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AGENCY	VEHICLE TYPE	NUMBER OF UNITS
Police	General assigned cars	85
	Scout car	60
	Van	<u>17</u>
	Total	162
Recreation	Maintenance-Heavy Duty	177
	Pick-up Truck	35
	Van	<u>27</u>
	Total	239
Zoo	Maintenance-Heavy Duty	6
	Pick-up Truck	3
	Van	<u>1</u>
	Total	10
GRAND TOTAL		737

Fiscal Year 2003-04 Vehicle Purchases- Budget

AGENCY	VEHICLE TYPE	NUMBER OF UNITS
DPW	Van	12
	Truck	45
	Other Specialties	22
	Pickup Truck	<u>3</u>
	Total	82
Fire	Other Specialties	20
	Truck	3
	Van	6
	Fire Specialties	27
	Pickup Truck	<u>1</u>
Total		57
Health	Van	17
	Truck	3
	Wagon	<u>1</u>
Total		21
Municipal Parking	Other Specialties	<u>27</u>
	Total	27
Public Lighting	Truck	12
	Van	14
	Other Specialties	3
	Trailer	<u>1</u>
	Total	30
Police	Van	23
	Executive	15
	General Assigned	86
	Police Specialty	100

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AGENCY	VEHICLE TYPE	NUMBER OF UNITS
Police (continued)	SUV/4WD	41
	Pickup Truck	4
	Trailer	<u>1</u>
		270
Human Resources	Van	<u>1</u>
		1
Recreation	Pickup Truck	5
	Other Specialties	50
	Truck	30
	Trailer	8
	Van	<u>1</u>
		94
Zoo	Van	1
	Pick-up Truck	1
	Truck	3
	Other Specialties	<u>5</u>
		10
GRAND TOTAL		592